Government of the District of Columbia Office of the Chief Financial Officer



Natwar M. Gandhi Chief Financial Officer

MEMORANDUM

TO:

The Honorable Vincent C. Gray

Chairman, Council of the District of Columbia

FROM:

Natwar M. Gandhi

Chief Financial Officer

DATE:

February 14, 2008

SUBJECT:

Fiscal Impact Statement: "Child Support Expedited Process

Amendment Act of 2007"

REFERENCE:

Draft Bill - No Number Assigned

Conclusion

Funds are sufficient in the FY 2008 through FY 2011 budget and financial plan to implement the provisions of the proposed legislation.

Background

The proposed legislation is intended to facilitate an arrangement under which the Office of the Attorney General (OAG), the District's child support IV-D agency, will refer administrative hearings related to expedited processes in child support matters to the Office of Administrative Hearings (OAH). OAG's Child Support Services Division has been working with OAH to arrange for OAH to conduct these administrative hearings. However, the existing statute states that the hearings shall be conducted before the IV-D agency, and, in order for OAH to receive delegated authority to conduct the hearings, the authority must be vested in the Mayor.

The proposed bill would also amend D.C. Official Code § 46-226.03(c) so that judicial review of administrative decisions issued in connection with child support expedited processes are heard by the Court of Appeals and not the Superior Court.

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Financial Plan Impact

Funds are sufficient in the FY 2008 through FY 2011 budget and financial plan to implement the provisions of the proposed legislation. OAG and OAH could absorb implementing the proposed legislation with existing resources, and it would not have an impact on the budget and financial plan.

Depending on how the proposed legislation is implemented, OAG may pay OAH a fee for conducting administrative hearings related to expedited processes in child support matters. If the decision to implement a fee is made, OAG would be required to remain within its agency appropriation.¹

In addition, as one of the intentions of the proposed bill is to increase the efficiency of collecting child support payments, those collections may marginally increase. Further, since a portion of collections made on behalf of TANF² customers are kept by the District, the District may incur a marginal increase in revenues due to the implementation of this legislation.³ However, this amount, if any, cannot be reliably estimated.

² Temporary Assistance for Needy Families.

¹ Federal and District anti-deficiency laws prohibit District officers and employees from exceeding agency appropriations in any fiscal year. See 31 USCA § 1341 (2000) and D.C. Official Code § 47-355.01 et sequitor (2003).

³ Child support collections for families on TANF are generally retained by the government and split between the federal government and states. In the District, the first \$150 of support is "passed through" directly to the family.